



Vermont Tobacco Evaluation and Review Board
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TO: The Honorable Governor James H. Douglas
Senate Appropriations Committee
House Appropriations Committee
Joint Fiscal Committee

FROM: Brian S. Flynn, ScD, Chair

DATE: October 15, 2010

RE: FY2012 Budget Recommendation for the Tobacco Control Program
(Section 271 of Act 152 (2000), 18 V.S.A. chapter 225, §9505(9))

The Tobacco Evaluation and Review Board and its committees have reviewed the comprehensive tobacco control program to assess program performance and priorities for the coming fiscal year. The program as a whole appears to be effective. Smoking rates for adults and youth and exposure to secondhand smoke have dropped below national rates since the programs were introduced in 2001. We note with concern, however, that adult and youth smoking rates have not declined over the past two years, a period during which the program experienced substantial budget reductions.

We recommend FY2012 appropriations of \$4.5 million from Master Settlement Agreement (MSA) payments to support the program, an amount equivalent to current year funding. The recommended amount is about 12% of Vermont's current annual MSA payment of \$36 million and just 40% of the amount recommended by the Centers for Disease Control and Prevention. The attached table shows the recommended funding levels across Departments.

Tobacco use continues to be the number one cause of preventable disease and death in Vermont, costing over \$233 million per year for health care, \$72 million of which are Medicaid expenditures. Decreases in smoking rates are encouraging evidence that our comprehensive programs have a positive impact. States with longer-term tobacco programs have documented substantial cost-savings from reductions in tobacco-related chronic diseases as a result of investments in tobacco control. There is, however, precedent for cigarette smoking rates rising among youth when tobacco control funding is substantially reduced. Further reductions in funding would jeopardize the success achieved in reducing youth smoking and relinquish further achievable benefits in adult smoking reduction.

Sustaining our tobacco control investments will maintain life-saving benefits for our citizens. The success of Vermont's efforts to reduce health care costs through chronic disease prevention depends, to a considerable extent, on continued reduction of tobacco use. Progress in further reductions of tobacco use is clearly related to level of investment in the program. Thank you for consideration of these recommendations. We would be happy to provide further information.

Vermont Tobacco Evaluation and Review Board Budget Recommendation
Total FY2012 Recommendation: \$4,515,039

Department of Health
FY2012 Recommendation: \$2,896,507

Tobacco Cessation Programs

Provides nicotine replacement therapy and free quit smoking programs in-person, by telephone, and on the internet.

Community-Based Programs

Community coalitions provide prevention, cessation, and messaging activities for youth and adults geographically across the state.

Tobacco Reduction Marketing and Public Education

Provides state and local communication campaigns to help youth avoid smoking, help smokers to quit, and reduce exposure to second-hand smoke.

Surveillance

Administration of surveys required for program evaluation.

Department of Education
FY2012 Recommendation: \$988,917

Grants and Technical Assistance

Provides grants and technical assistance to Local Educational Agencies to implement model tobacco prevention programs.

Department of Liquor Control
FY2012 Recommendation: \$296,306

Retailer Training and Compliance Checks

Provides training to retail tobacco licensees and their employees and implements compliance checks for underage tobacco sales as required by statute.

Tobacco Evaluation and Review Board (AHS Central Office)
FY2012 Recommendation: \$333,309

Board Support

Continue funding one full-time staff and additional administrative support, and meeting expenses for staff and board members, as directed by statute.

Independent Evaluation Contract

Continue independent program evaluation as mandated by statute.